

MINUTES OF THE REGULAR CITY COUNCIL MEETING  
TUESDAY- -MARCH 17, 2009- -7:30 P.M.

Mayor Johnson convened the Regular Meeting at 7:52 p.m.

ROLL CALL - Present: Councilmembers deHaan, Gilmore,  
Matarrese, Tam, and Mayor Johnson - 5.

Absent: None.

AGENDA CHANGES

(09-106) Mayor Johnson announced that the proclamations [paragraph nos. 09-107 and 09-108] and resolution of appointment [paragraph no. 09-109] would be heard before the Joint City Council and Community Improvement Commission Meeting.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(09-107) Proclamation declaring March 16-21 as Women's Military History Week.

Mayor Johnson read and presented the proclamation to Mildred Nolan.

Ms. Nolan thanked Council for the proclamation; stated that a celebration will take place on Saturday from 10:00 a.m. to 4:00 p.m. at the Twin Towers United Methodist Church.

(09-108) Proclamation declaring March 22-28 as Boys' and Girls' Club Week.

Speaker: Michael John Torrey, Alameda.

Mayor Johnson read and presented the proclamation to Boys' and Girls' Club representatives Former Police Chief Burney Matthews and Marc Morales.

Former Police Chief Matthews thanked the Council for the proclamation.

REGULAR AGENDA ITEM

(09-109) Resolution No. 14313, "Appointing Ardella Dailey as a Member of the Social Services Human Relations Board." Adopted.

Councilmember Tam moved adoption of the resolution.

Councilmember Matarrese seconded the motion, which carried by

unanimous voice vote - 5.

The City Clerk administered the Oath and presented Ms. Dailey with a certificate of appointment.

Ms. Dailey thanked Council for the opportunity to serve the community.

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Mayor Johnson called a recess at 8:02 p.m. and reconvened the Regular Meeting at 8:23 p.m.

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#### CONSENT CALENDAR

Mayor Johnson announced that the Resolution Supporting a Maritime Administration Small Shipyard Grant [paragraph no. 09-114] and Final Passage of Ordinance Amending the Alameda Municipal Code by Adding Article XX [paragraph no. 09-116] were pulled from the Consent Calendar for discussion.

Vice Mayor deHaan moved approval of the remainder of the Consent Calendar.

Councilmember Tam seconded the motion, which carried by unanimous voice vote - 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(\*09-110) Minutes of the Special and Regular City Council Meetings held on March 3, 2009. Approved.

(\*09-111) Ratified bills in the amount of \$3,253,243.09.

(\*09-112) Recommendation to authorize the Acting City Manager to execute a Memorandum of Understanding between the City of Alameda and the Alameda County Fire Department to establish a Cooperative Agreement to administer a Department of Homeland Security Assistance to Firefighters Grant and allocate matching grant funds. Accepted.

(\*09-113) Recommendation to award a Consultant Agreement in the amount of \$77,936, including contingency, to Kier & Wright Civil Engineers & Surveyors, Inc. for survey and mapping services. Accepted.

(\*09-114) Resolution No. 14314, "Supporting a Maritime Administration Small Shipyard Grant to Bay Ship & Yacht Co. to Establish a Job Training Center and Program." Adopted.

Speaker: Robert L. Henn, Bay Ship & Yacht Co. (submitted handout).

Mayor Johnson stated that Bay Ship & Yacht Co. is a very valuable employer; the City appreciates Bay Ship & Yacht Co.'s role in the community.

Councilmember Tam stated that Bay Ship & Yacht Co.'s landlord is John Berry; inquired how much Bay Ship & Yacht Co. pays in annual rent.

Mr. Henn responded \$615,000 per year; stated additional amounts are paid for unshared parcels.

Councilmember Matarrese moved adoption of the resolution.

Vice Mayor deHaan seconded the motion.

Under discussion, Vice Mayor deHaan inquired whether Development Services would be involved in the grant application and training.

The Development Services Director responded Development Services would assist in getting applications together.

On the call for the question, the motion carried by unanimous voice vote - 5.

(\*09-115) Resolution No. 14315, "Authorizing the Filing of an Application for Federal American Recovery and Reinvestment Act of 2009 Funding for Repair and Resurfacing of Fernside Boulevard and Central Avenue, and Stating the Assurance to Complete the Project." Adopted.

(09-116) Ordinance No. 2989, "Amending the Alameda Municipal Code by Adding Article XX (Earthquake Hazard Reduction in Existing Soft-Story Residential Buildings) to Chapter XIII (Building and Housing) and Amending Subsection 30-7.12 (Reduction in Parking Requirements for Existing Facilities) of Section 30-7 (Off-Street Parking and Loading Space Regulations) of Chapter XXX (Development Regulations), By Adding Subsection 30-7.12(c) to Allow for Reduction in Parking Requirements for Seismic Retrofit." Finally passed.

Vice Mayor deHaan inquired whether staff is still looking into funding streams.

The Building Official responded \$100,000 would be set aside for assisting property owners who have 51% low to moderate occupancy

and would also be available for historic structures.

The Acting City Manager stated staff is reviewing Berkeley's program to help property owners finance solar panels.

Vice Mayor deHaan stated assisting property owners is important because the current market is unstable.

Mayor Johnson stated Berkeley's solar panel model is good because loans are from a bond; the gas shut off value requirement is a good part of the initial phase; inquired whether the initial phase would not require retrofitting but would develop a list.

The Building Official responded the first phase would develop a list and requires property owners to complete an engineering study and outline fixes within eighteen months of notification; stated a gas shut off value would need to be installed within 60 days of notification.

Mayor Johnson stated the Association of Realtors supported the first reading of the ordinance; a lot of outreach has been done.

Councilmember Matarrese stated the matter is a public safety issue; the first step would identify buildings and require an engineering study and installation of a gas shut off value.

Councilmember Matarrese moved final passage of the ordinance.

Councilmember Gilmore seconded the motion, which carried by unanimous voice vote - 5.

(\*09-117) Ordinance No. 2990, "Amending Alameda Municipal Code Subsection 30-4.1 (R-1, One-Family Residence Districts) of Section 30.4 (District Uses and Regulations) of Article I (Zoning Districts and Regulations) Chapter XXX (Development Regulations) By Deleting Subsection 30-4.1 in Its Entirety and Replacing with a New Subsection 30-4.1 to Allow Ministerial Approval of Secondary Units on Sites Having a Single-family Dwelling and Meeting Specific Standards." Finally passed.

(\*09-118) Ordinance No. 2991, "Amending Various Sections of the Alameda Municipal Code Contained in Chapter II Article I Pertaining to City Council Meetings, Chapter II Article II Pertaining to the Historical Advisory Board, and Amending Ordinance No. 1082 As Amended by Ordinance No. 2497 Pertaining to an Existing Pension Fund." Finally passed.

(\*09-119) Public Hearing to consider a subdivision of ownership to

condominium form for two detached single-family dwellings on one site at 3211 and 3215 Fernside Boulevard. The site is located within an R-2, two family residence zoning district; and

(\*09-119A) Resolution No. 14316, "Approving Tentative Parcel Map No. 9787 for the Purpose of Establishing a Subdivision of Ownership to Condominium Form for Two Detached Single-Family Dwellings on One Site Located at 3211 & 3215 Fernside Boulevard." Adopted.

#### CITY MANAGER COMMUNICATIONS

(09-120) Receive a Progress Report on financing the City's Other Post Employment Benefit [OPEB] obligations.

The Interim Finance Director gave a brief presentation.

Vice Mayor deHaan inquired whether all options outlined at the February 7, 2009 Financial Management Workshop would be explored.

The Interim Finance Director responded in the affirmative; stated information is still outstanding on financing OPEB; stated pension obligation bonds do not apply to debt limit for cities, but there is a grey nebulous area on whether benefit obligation bonds could fall under the State constitutional debt limit; more debt scenarios would be done.

Vice Mayor deHaan stated other cities are going through a similar situation; inquired whether staff has investigated how other cities are funding the debt.

The Interim Finance Director responded three or four cities are reviewing funding pension obligations; stated cities will be pursuing the matter more aggressively in order to meet liabilities.

Vice Mayor deHaan stated the City will have many examples to review because cities are mandated to take care of the indebtedness; time is not on the City's side; options need to be understood.

Councilmember Matarrese requested clarification on the difference between a benefit and pension obligation bond.

The Interim Finance Director responded the 1079 and 1082 Plans financing would be pension bonds; stated OPEB obligations are other post employment benefits such as medical, retirement, and health care; attorneys are still gray on whether or not an OPEB bond would fall under the City's limits in terms of debt based on the State Constitution; the City does not have to decide on the construction of the financing scenarios until the last minute; currently, the

capital appreciation bond is the most beneficial.

Vice Mayor deHaan inquired what is the debt, to which the Interim Finance Director responded \$75.4 million.

(09-121) Public Hearing to consider Resolution No. 14317, "Amending Master Fee Resolution No. 12191 to Revise Fees Charged for Appeals to the Planning Board and to the City Council." Adopted.

The Planning and Building Director gave a brief presentation.

Mayor Johnson inquired whether staff time could be limited; stated most work should be done by the appellant and applicant.

The Planning and Building Director responded staff discussed streamlining the process.

Councilmember Matarrese inquired whether the single-family residence cap would be \$1,500, to which the Planning and Building Director responded in the affirmative.

Councilmember Matarrese inquired what would be the cap for multiple units.

The Planning and Building Official responded a \$5,000 cap would be more appropriate for a duplex or mixed-use project.

Councilmember Matarrese inquired whether multiple unit buildings would be considered commercial; to which the Planning and Building Director responded in the affirmative.

Councilmember Tam stated the chart outlining the outcome and types of appeals shows a 6% recovery; 94% of the appeals were subsidized; inquired whether the subsidy came from the General Fund.

The Planning and Building Director responded the subsidy came from department revenues.

Councilmember Tam inquired whether permit and application fees are used to offset costs, to which the Planning and Building Director responded in the affirmative.

Vice Mayor deHaan stated the summary shows that over a third of the appeals are for major projects and are split down the middle between applicants and non-applicants; that he is concerned that the average appeal fee [Fiscal Year 2006-2007 through Fiscal Year 2008-2009] cost \$1,759.

Mayor Johnson opened the public portion of the hearing.

Proponents (In favor of resolution): Christopher Buckley, Alameda; Robb Ratto, Park Street Business Association (PSBA) (submitted handout).

Opponent (Not in favor of resolution): Ani Dimusheva, Alameda.

There being no further speakers, Mayor Johnson closed the public portion of the hearing.

Mayor Johnson inquired whether time and material costs are collected, to which the Planning and Building Director responded in the negative.

Councilmember Gilmore stated raising the appeal fee would not be too much of a burden because a lot of appeals involve groups of people; a hardship would involve one individual, which is rare.

Councilmember Matarrese stated a Councilmember would have the discretion to Call for Review a decision if an individual was wronged; inquired whether other cities charge time and materials to whoever wins the appeal, to which the Planning and Building Director responded that staff did not come across said situation.

Councilmember Matarrese inquired whether there could be constraints or a legal down side.

The City Attorney responded that she does not think there would be any due process issues; stated that she would not like the City to eat costs.

The Acting City Manager stated collection would be an issue.

Vice Mayor deHaan stated it is important that boards and commissions hear items at the necessary level; sometimes boards and commissions are not allowed to review the entire project.

Mayor Johnson stated the process needs to be streamlined to ensure that two different boards are not doing the same job; an applicant could be faced with two different appeals.

Councilmember Gilmore stated time and materials were charged from 2003 to 2006; inquired whether collection was successful; that she is not sure whether she wants to go back to charging time and materials if collection was a hassle or unsuccessful.

The Planning and Building Director stated there was one collection

problem when she first started.

Councilmember Gilmore inquired whether there would be a problem in collecting time and material fees, to which the Planning and Building Director responded in the negative.

Mayor Johnson stated that she has a hard time understanding why additional staff time would be needed if staff already made a recommendation.

The Planning and Building Director responded staff tries to get the appellant and applicant together to reach an agreement.

Councilmember Gilmore stated sometimes the appellant and applicant do not see eye to eye.

Mayor Johnson stated there should not be any reason for a change in the staff recommendation; the process is prolonged by getting overly involved in the appeal.

The Planning and Building Director stated that she would be glad to receive some policy direction; staff makes every effort to try and resolve any issues.

Mayor Johnson stated people might take the first process more seriously if the appeal is not dragged out for six months by trying to work with everyone.

Vice Mayor deHaan stated sometimes staff changes its recommendation.

Mayor Johnson stated the Fernside Boulevard case was handled badly.

Vice Mayor deHaan stated there have been times when the Planning Board was not a full body and could not come to a final conclusion so the matter was brought to Council; the matter should have been handled by the Planning Board; other cities charge a flat rate, which is better; that he is bothered that an individual is only able to appeal if they live within a 300 foot radius of the project.

Mayor Johnson stated how appeals are handled needs to change; appeals are delayed and staff time is wasted.

Councilmember Matarrese stated some of the costs involve staff bringing the parties together to reach an agreement; inquired what said cost would be versus providing information in a public information request.



The Planning and Building Director responded staff does not keep track of public information request costs.

Councilmember Matarrese stated the meter starts to run when an appeal is filed; inquired whether most of the time is spent on staff trying to get parties together.

The Planning and Building Director responded that the matter would depend on the case; stated administrative staff needs to prepare notices, mailing, etc.

Mayor Johnson stated the appellant should pay administrative costs.

Councilmember Matarrese stated if the appeal is granted, an applicant or the City eats the costs; an appellant should be responsible for costs if the appeal does not have grounds and is not granted.

Councilmember Tam stated that she does not agree; that she is trying to balance some of the issues; the next agenda item addresses cost recovery for emergency services for false alarms; full recovery costs would not be charged for inspections; cities provide certain services, which is part of the cost of doing business; it is appropriate to look at a fee structure that would increase the flat rate beyond \$100 but not to completely recover the cost of time and materials; that she would favor a hybrid approach similar to San Leandro and the Park Street Business Association proposed in terms of time and materials; San Leandro charges \$278 per applicant, in addition to time and materials for direct costs.

Mayor Johnson stated charging more up front is good; actual costs, such as mailings, should be recovered; a delicate balance is needed between not making appeals too expensive versus having a system that allows frivolous appeals.

Vice Mayor deHaan stated an applicant pays more than a non-applicant in San Leandro and Hayward; he would prefer a flat rate of \$300 for both sides.

Mayor Johnson stated that she likes the idea of a flat fee if someone wins and a reasonable cap if someone loses; that she does not see the reason for spending more than a superficial amount of staff time on a residential appeal; people need to know that they are on their own once a board or commission makes a decision.

Councilmember Gilmore stated there may be an instance where someone

wants to add something to a residential property and design review is approved by staff; neighbors might not like the project for various reasons that were not addressed at the design review level because the Code is only checked; the matter could become a whole other issue such as blocking sun light.

Mayor Johnson stated the appeal process has become too lax; a better process needs to be developed.

Councilmember Tam stated twenty-two appeals have been filed within two years; the process does not seem to be abused.

Mayor Johnson stated the Fernside Boulevard process took a year and a half; there was an amendment to the appeal months after the original appeal was filed; the process needs to be better defined; trying to accommodate everyone ends up being unfair.

Vice Mayor deHaan stated incidentals could be cleaned up before coming to Council; charging \$10,000 for an appeal is a disgrace; an appeal process is democracy in motion and is right for the community; placing all appeals into one pot does not work.

Mayor Johnson concurred that commercial and residential should have different fees; all commercial should not be lumped into the same category.

Councilmember Gilmore stated that she does not like tying the fee to whether someone wins or loses; proposed a \$350 residential flat fee with time and materials cap of \$500, for a total of \$850; a commercial flat fee of \$350 with time and materials cap of \$2,500, for a total of \$2,850; inquired whether individual hardship could be considered.

Mayor Johnson proposed lowering the residential flat fee to \$200 or \$250 with a time and materials cap of \$500; concurred with Councilmember Gilmore's proposed commercial fee structure.

Councilmember Matarrese moved adoption of the resolution with the following amended fees: Residential: \$250 flat fee with time and materials cap of \$500; Commercial: \$350 flat fee with time and materials cap of \$2,500.

The Planning and Building Director inquired whether a single family or duplex would be considered residential, to which Councilmember Matarrese responded in the affirmative.

Mayor Johnson requested that policy recommendations be brought back regarding the appeal process.

Councilmember Gilmore requested that a report be provided regarding how fees are working out within six months to a year.

The Planning and Building Director inquired whether the report could be provided within a year, to which Councilmember Gilmore responded in the affirmative.

Councilmember Tam inquired whether staff would still need to use some other fees to off set costs if the proposed fees do not recover costs, to which the Planning and Building Director responded in the affirmative.

Mayor Johnson suggested that staff time be limited.

The Planning and Building Director stated that she welcomes said direction; the process would be streamlined; boards and commissions would be informed.

Mayor Johnson stated parties need to be informed also; parties need to try and mediate the matter before coming to a board or commission.

Councilmember Gilmore seconded the motion.

Under discussion, Vice Mayor deHaan stated the track record shows that one-third of the appeals were withdrawn; that he would support a flat rate.

Mayor Johnson requested that Council be notified earlier if there are issues.

On the call for the question, the motion carried by the following voice vote: Ayes: Councilmembers Gilmore, Matarrese, Tam, and Mayor Johnson - 4. Noes: Vice Mayor deHaan - 1.

(09-122) Public Hearing to consider introduction of an Ordinance Amending the Alameda Municipal Code by Adding Section 24-10 (Cost Recovery for Recurring Calls for Service to Respond to and/or Abate Properties Due to Specified Conditions or Owner Neglect) to Chapter XXIV (Public Health). Introduced; and

(09-122A) Resolution No. 14318, "Amending Master Fee Resolution No. 12191 to Revise and Add Various New Fees." Adopted.

The Fire Marshall gave brief presentation.

Mayor Johnson inquired what would be considered structural leakage.

The Fire Marshall responded a cracked foundation or accumulated basement water.

Mayor Johnson stated "water intrusion" would be a better term.

The City Attorney responded some types of water intrusion have nothing to do with owner neglect and would be the City's responsibility.

Mayor Johnson stated said circumstance would be an emergency and would not be charged.

The City Attorney stated the ordinance should not include anything where the City's action could potentially be considered inverse condemnation.

Mayor Johnson inquired why basement flooding would be limited to malfunctioning sump pumps.

The City Attorney responded the list [24-10.3 Liability for emergency response costs] represents reoccurring calls; stated the homeowner neglect standard is as the catchall.

Mayor Johnson inquired whether a leaking washing machine at a business would be covered, to which the Fire Marshall responded in the affirmative.

The City Attorney responded said situation would be covered under the property owner neglect clause.

Mayor Johnson inquired whether businesses are required to have a sign stating to call a specific number in case of an emergency if there is no manager on site.

The Fire Marshall responded that he is not aware of any requirement, but he has seen said signs in laundromats.

Mayor Johnson inquired whether the requirement could be done by ordinance.

The City Attorney responded enforcement would be difficult; stated the requirement could be a condition of approval for a new business.

The Fire Marshall stated the requirement could be addressed in the Fire Code which requires an emergency plan.

Vice Mayor deHaan stated a merchant could experience flooding due to an adjacent property; inquired how charges would be billed.

The City Attorney responded the property owner creating the public nuisance would be charged if proof could be established.

Councilmember Matarrese questioned whether people should be calling 911 for non-life threatening situations.

Mayor Johnson stated an education process is needed for what is and is not an appropriate call.

The Fire Marshall stated the plan is to place articles in the newspaper in addition to business district outreach.

Mayor Johnson stated a lot of fire calls are a result of smoking food on stoves.

Councilmember Matarrese stated a fire is a fire; people panic and throw water on oil; serious injuries can occur; the Fire Department should not be called for a flooding issue unless someone is in physical danger.

Councilmember Tam stated a neighbor thought there was some hazardous materials floating in the lagoon; the neighbor called 911; although the floating material turned out to be pollen, she would not like to create a situation where people are not comfortable calling for necessary help; the Fire Department has two trucks with ladders; there is only one high rise building in Alameda.

The Fire Marshall stated Alameda has many multi-story buildings; a high rise is considered any building over seventy-five feet tall.

Mayor Johnson stated City Hall is fifty-five feet tall.

The Fire Marshall stated the longest ladder carried by aerial trucks is thirty-five feet; the seventy-five foot ladder is needed for multi-story buildings.

Councilmember Tam stated Ruby Bridges Elementary School had a couple of [false] fire alarms; the Fire Department responded; Ruby Bridges is now being charged.

Mayor Johnson stated that she does not think that the School District should be charged; the School District needs to fix the alarms; School District buildings are public buildings and need to be protected; that she would be fine with exempting the School

District but alarms need to be kept in good working order.

The Fire Marshall stated the School District's maintenance division was not aware of all of the false alarms; some of the fees have been waived for Ruby Bridges; other schools have chronic alarm problems; the State mandates fire inspections for school districts; an invoice is sent and is charged against lease payments that the City makes to the School District; the City is able to recoup costs for repeated false alarms; false alarm fees are much less expensive than reoccurring calls for service.

Mayor Johnson stated the City needs to inform the School District that there would not be a charge if alarms are maintained and there is communication with staff.

The City Attorney stated the false alarm ordinance would need to be amended to exempt the School District and is not on the agenda tonight.

Mayor Johnson stated tonight's agenda is dealing with the use of emergency services in non-emergency situations; repeated false alarms from the School District are not emergency situations.

The Fire Marshall stated that staff is working with the School District.

Councilmember Tam inquired whether the hospital could be included [in the exemption].

Vice Mayor deHaan stated senior citizens have certain needs; inquired who is the tiebreaker in the decision making, to which the Fire Marshall responded he is.

Vice Mayor deHaan stated individual concerns need to be heard.

Mayor Johnson stated the education process is important; staff needs to go to Mastick Senior Center and business and homeowner associations; a lot of residential calls come from apartment structures; plumbing leaks should be directed to the building manager instead of the Fire Department.

Vice Mayor deHaan stated education is important; part of the training needs to address how to turn off the water.

Mayor Johnson people need to be informed that a plumber should be called if they chose not to learn how to turn off their water; people need to know what type of situations are non-emergency and when calling 911 is a necessity.

Councilmember Matarrese moved introduction of the ordinance and adoption of the resolution.

Vice Mayor deHaan seconded the motion, which carried by the following voice vote: Ayes: Councilmembers deHaan, Gilmore, Matarrese, and Mayor Johnson - 4. Absent: Councilmember Tam - 1.

ORAL COMMUNICATIONS, NON-AGENDA

None.

COUNCIL REFERRALS

None.

COUNCIL COMMUNICATIONS

(09-123) Consideration of Mayor's appointments to the Rent Review Advisory Committee.

Mayor Johnson appointed Henry Hernandez and Thuy T. Nguyen.

ADJOURNMENT

There being no further business, Mayor Johnson adjourned the meeting at 10:16 p.m.

Respectfully submitted,

Lara Weisiger  
City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.

MINUTES OF THE SPECIAL CITY COUNCIL MEETING  
TUESDAY- -MARCH 17, 2009- -6:00 P.M.

Mayor Johnson convened the Special Meeting at 6:05 p.m.

Roll Call - Present: Councilmembers deHaan, Gilmore,  
Matarrese, Tam, and Mayor Johnson - 5.

Absent: None.

The Special Meeting was adjourned to Closed Session to consider:

(09-101) Conference with Labor Negotiators; Agency negotiators:  
Craig Jory and Human Resources Director; Employee organizations:  
All Bargaining Units.

(09-102) Conference with Legal Counsel - Anticipated Litigation;  
Initiation of litigation pursuant to subdivision (c) of Section  
54956.9; Number of cases: One.

(09-103) Conference with Labor Negotiator (54957.6); Agency  
Negotiator: City Attorney; Name: City Manager.

(09-104) Public Employment; Title: City Manager.

Following the Closed Session, the Special Meeting was reconvened and Mayor Johnson announced that regarding All Bargaining Units, the City Council received a briefing from its Labor Negotiators; no action was taken; regarding Anticipated Litigation, the City Council received a briefing; regarding City Manager, the City Council voted unanimously in favor of a settlement agreement with former City Manager, Debra Kurita; although the City Council and Debra shared many goals for the City, we differ in the manner in which to achieve them; the decision to take the City's management in a new direction was an amicable and mutual decision for Debra and the Council, and we wish her well in her future professional endeavors.

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Mayor Johnson called a recess at 7:40 p.m. to convene the Regular City Council Meeting and reconvened the Special Meeting at 10:20 p.m.

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Following the Closed Session, the Special Meeting was reconvened and Mayor Johnson announced that regarding Public Employment, the City Council discussed the appointment of an interim City Manager; no action was taken.



Adjournment

There being no further business, Mayor Johnson adjourned the Special Meeting at 12:00 a.m.

Respectfully submitted,

Lara Weisiger  
City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.

MINUTES OF THE SPECIAL JOINT CITY COUNCIL AND  
COMMUNITY IMPROVEMENT COMMISSION (CIC) MEETING  
TUESDAY- -MARCH 17, 2009- -7:27 P.M.

Mayor/Chair Johnson convened the Joint Meeting at 8:02 p.m.

ROLL CALL - Present: Councilmembers/Commissioners deHaan,  
Gilmore, Matarrese, Tam, and Mayor/Chair  
Johnson - 5.

Absent: None.

MINUTES

(09-12 CIC) Minutes of the Special Community Improvement Commission Meeting held on March 3, 2009.

Commissioner Gilmore moved approval of the minutes.

Commissioner Tam seconded the motion, which carried by unanimous voice vote - 5.

AGENDA ITEM

(09-105 CC) Recommendation to approve a \$3 million loan from the City Sewer Fund to the Community Improvement Commission for matching funds for construction of the Webster Street/Wilver "Willie" Stargell Avenue Intersection Project, No. P.W. 10-08-26; and

(09-13 CIC) Recommendation to approve funding and award a Contract in the amount of \$6,923,869, including contingencies, to Top Grade Construction for the Webster Street/Wilver "Willie" Stargell Avenue Intersection Project, No. P.W. 10-08-26.

The Base Reuse and Community Development Manager gave a brief presentation.

Mayor/Chair Johnson requested clarification on the State Transportation Improvement Program (STIP) funding timeline.

The Base Reuse and Community Development Manager stated funding was allocated in September; the City has six months to award a Contract; after the Contract is awarded, the first invoice needs to be processed within the following six months; construction needs to commence shortly after the award of the Contract; overall construction needs to be completed in one year.

Mayor/Chair Johnson inquired what would happen if timelines are not met, to which the Base Reuse and Community Development Manager responded the \$4 million would be forfeited.

Mayor/Chair Johnson inquired whether staff is watching to see whether the project would qualify for stimulus funding, to which the Base Reuse and Community Development Manager responded in the affirmative.

Councilmember/Commissioner Matarrese inquired: 1) whether the City would be paid back the \$3 million in Sewer Fund money if stimulus funding were received; 2) what would happen if Catellus does not move forward; and 3) whether the City would only receive \$2 million back from Catellus or whether the \$2 million is the down payment on the obligation.

The Base Reuse and Community Development Manager responded the City would receive \$2.2 million for the Stargell Avenue project if Catellus moved forward with Target only; stated Catellus would be 100% responsible for the local match if the rest of the project moves forward; that she is not sure whether the City would be able to be reimbursed with stimulus funding.

Councilmember/Commissioner Matarrese inquired whether the City could lose \$3 million, which is the delta between the estimate and the actual bid, in addition to the \$4 million, to which the Base Reuse and Community Development Manager responded in the affirmative.

Mayor/Chair Johnson inquired whether thought should be given to phasing the project.

The Interim Finance Director responded the Stargell Avenue project would not qualify for stimulus funding; stated the federal government is talking about a second, third, and fourth recovery; the City needs to look to the State because the State may be offering some incentives for ready projects; the City would draw down on the loan amount based on actual needs; not having some opportunity to repay the Sewer Fund in the next five years is less than 3%.

Vice Mayor/Commissioner deHaan inquired how much money is in the Sewer Fund.

The Interim Finance Director responded the true cash fund balance is approximately \$18 million.

Vice Mayor/Commissioner deHaan inquired where the money came from, to which the Interim Finance Director responded the money accumulated over time.

Vice Mayor/Commissioner deHaan inquired what are the funding projections for the next five years.

The Public Works Director responded existing projects would continue without needing to access any of the money that would be part of the loan; stated staff is currently embarking on a Sewer Master Plan to identify a twenty-year capital improvement project plan which would indicate whether property tax fees should remain the same or change.

Vice Mayor/Commissioner deHaan inquired whether some of the funding would be used for Alameda Point infrastructure.

The Public Works Director responded typically, developers pay improvement costs.

Vice Mayor/Commissioner deHaan inquired what would be the funding stream if Catellus does not move forward.

The Base Reuse and Community Development Manager responded the CIC would be the promissory note holder; stated funding could come from tax increment, bonds, or lease revenues from Alameda Reuse and Redevelopment Authority (ARRA) or Fleet Industrial Supply Center (FISC).

Vice Mayor/Commissioner deHaan inquired how other tax increment projects would be impacted.

The Base Reuse and Community Development Manager responded staff would start budgeting for the loan repayment; stated other redevelopment projects may have to be postponed.

Councilmember/Commissioner Tam stated the staff report notes that the \$2.2 million pro rata share would be triggered within 120 days of Catellus finalizing a Purchase and Sale Agreement with Target; inquired whether getting some type of entitlement before the \$2.2 pro-rata share moves into City funds is not necessary, to which the Base Reuse and Community Development Manager responded in the affirmative.

Councilmember/Commissioner Tam stated other revenue sources are listed in addition to the Sewer Fund; there has been an on-going

impression that revenue sources are not sufficient to meet all capital needs and maintenance costs in the long run; inquired whether funds would be compromised by trying to move funding from accounts to pay for the Willie Stargell project.

The Base Reuse and Community Development Manager responded the Public Works Director noted that the Sewer Fund would not be impacted; ARRA and FISC lease revenue funds are available and sufficient; funds are still available for water system upgrades.

Councilmember/Commissioner Matarrese moved approval of the staff recommendations.

Councilmember/Commissioner Matarrese stated the extension is needed regardless of whether Alameda Landing goes forward within the timeline.

Councilmember/Commissioner Tam seconded the motion.

Under discussion, Vice Mayor/Commissioner deHaan stated that he is extremely supportive of the staff recommendation; that he has concerns with potentially impacting future projects; Catellus might not move forward with Alameda Landing.

Mayor/Chair Johnson stated the extension is necessary whether Catellus goes forward with Alameda Landing or not.

On the call for the question, the motion carried by unanimous voice vote - 5.

#### ADJOURNMENT

There being no further business, Mayor/Chair Johnson adjourned the Special Joint Meeting at 8:23 p.m.

Respectfully submitted,

Lara Weisiger, City Clerk  
Secretary, Community Improvement  
Commission

The agenda for this meeting was posted in accordance with the Brown Act.